



ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#19 OCTOBER 18, 2011

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SACHI A. HAMAI
EXECUTIVE OFFICER

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October 18, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO CANCER RESEARCH AND CARE
SERVICES AGREEMENT WITH THE UNIVERSITY OF SOUTHERN
CALIFORNIA KECK SCHOOL OF MEDICINE
(SUPERVISORIAL DISTRICT 1)
3 VOTES**

SUBJECT

Request approval of an Amendment to extend the term of the Agreement to provide for the identification, selection, and participation of LAC+USC Medical Center patients in cancer research clinical trials.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 2 to Agreement No. H-701062, with the University of Southern California (USC) Keck School of Medicine, effective upon execution by the parties following Board approval, to extend the term of the Agreement for the period of November 1, 2011 through October 31, 2013, or until such time as any remaining funds and interest in the trust account are completely expended, whichever of these two events occurs first, for the continued provision of cancer research, care, treatment, and related services to LAC+USC Medical Center (LAC+USC) patients, 100 percent offset by the remaining unexpended funds in the Los Angeles Donation Fund Trust Account, (i.e., Sommer Cancer Research and Care Trust Fund).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow the Director to execute an Amendment, substantially similar to Exhibit I, with the USC Keck School of Medicine, to extend the agreement for two additional years to be able to utilize the remaining funds in the Los Angeles Donation Fund Trust Account for the continued provision of cancer research, care, treatment and related services for cancer patients at LAC+USC.

The Agreement with USC Keck School of Medicine, approved by your Board on May 17, 2005, was established as a result of a bequest by the late Paul N. Sommer. The Sommer Cancer Research and Care Trust Fund did not specify a term to conclude the cancer research, however, the parties agreed to a "term" provision that specified the Agreement would automatically be renewed through October 31, 2010 or until such time as any remaining funds and interest in the trust account are completely expended, or whichever of these two events sooner occurs. Due to a shortage of nursing staff to provide screening services in some of the clinics, USC Keck School of Medicine was unable to fully expend the funds, and therefore, with your Boards approval, this Agreement was extended through October 31, 2011. USC Keck School of Medicine continues to experience staffing shortages. Therefore, based on the remaining funds in the trust account, the parties are re-evaluating to determine whether to wholly or partially fill the remaining staffing vacancies. However, both parties agree that another extension is needed since there will be funds remaining as of October 31, 2011.

In addition, the initial proposal called for Contractor to be responsible for procurement and installation of 53 10" televisions for cancer-related educational programs. The current proposal requires LAC+USC to assume this responsibility, as procurement and installation of this equipment should be coordinated in concert with the installation of the antennas needed for the television reception. The recommended Amendment includes a provision that releases Contractor from any responsibility regarding the television procurement and installation.

Implementation of Strategic Plan Goals

The recommended action supports Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

By November 1, 2011, approximately \$322,000 will remain in the trust account. During the extended term, it is anticipated that this account will earn an additional \$13,000, bring the account total to \$335,000. All remaining funds will be used for services during the extension period. Attachment A provides details of projected costs for the period November 1, 2011 through October 31, 2013.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On May 17, 2005, your Board approved an Agreement with the USC Keck School of Medicine to provide for the identification, selection, and participation of LAC+USC MC patients in cancer research clinical trials through April 30, 2010, at an approximate total cost of \$1.76 million with provisions to extend the term of the Agreement on a month-to-month basis until the remaining funds and interest in the trust account are completely expended, or until October 31, 2010, whichever of the two sooner occurs.

On October 5, 2010, your Board approved Amendment No. 1 to this Agreement, to extend the

Agreement term through October 31, 2011, to allow USC Keck School of Medicine time to utilize the funds that remain in the trust account.

Contractor's services benefit and support cancer research and care by screening patients in the following at LAC+USC clinics: Hematology, Gynecologic Oncology and Medical Oncology. Patients in these clinics are informed about available clinical trials that may be the best or only standard of care for their diseases such as newly diagnosed metastatic disease that include melanoma, pancreatic cancer and gastric cancer.

The Agreement has been updated with all the latest Board-mandated provisions. The Agreement may be terminated by either party upon 30 days prior written notice.

County Counsel has approved Exhibit I as to form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendation will ensure the continued availability of cancer clinical trials to LAC +USC patients.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz", with a stylized flourish at the end.

Mitchell H. Katz, M.D.

Director

MHK:ja

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

ATTACHMENT A

CANCER RESEARCH AND CARE SERVICES AGREEMENT

ESTIMATED PROJECT COSTS

NOVEMBER 1, 2011 THROUGH OCTOBER 31, 2013

AVAILABLE FUNDS

TRUST ACCOUNT BALANCE ON NOVEMBER 1, 2011	\$322,000
PROJECTED INTEREST EARNINGS	<u>\$ 13,000</u>
TOTAL	\$335,000

COSTS

USC KECK SCHOOL OF MEDICINE – Personnel Salaries and Employee Benefits	\$255,000
COUNTY – Equipment (53 – 10” televisions) and Installation	<u>\$ 80,000</u>
TOTAL	\$335,000

EXHIBIT I

Contract No. H-701062

CANCER RESEARCH AND CARE SERVICES AGREEMENT

AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this _____ day of _____
2011,

by and between	COUNTY OF LOS ANGELES (hereinafter "County"),
and	U.S.C. KECK SCHOOL OF MEDICINE (hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "CANCER RESEARCH AND CARE SERVICES AGREEMENT, dated May 17, 2005, and further identified as County Agreement No. H-701062 (hereafter referred to as "Agreement"; and

WHEREAS, Agreement is slated to expire on October 31, 2011; and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend its term for two years, and make the changes described hereinafter; and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall be effective upon Board approval.

2. Paragraph 1, "TERM", shall be deleted in its entirety and replaced with the following:

"1. TERM: The term of this Agreement shall commence on May 17, 2005 and shall continue, unless sooner terminated or canceled, in full force and effect to and including October 31, 2013.

This Agreement may be cancelled or terminated at any time, for any reason, with or without cause, by either party, upon giving of at least thirty (30) calendar days prior written notice to the other.

Notwithstanding any other provision of this Paragraph, the failure of Contractor or its officers, employees, agents, or subcontractors, to comply with any of the terms of this Agreement or any written directions by or on behalf of County issued pursuant hereto, shall constitute a material breach hereto, and this Agreement may be terminated by County immediately. County's failure to exercise this right of termination shall not constitute a waiver of such right, which may be exercised at any subsequent time."

3. Subparagraph A of Paragraph 3, "BILLING AND PAYMENT", shall be deleted its entirety and replaced with the following:

"3. BILLING and PAYMENT:

A. County agrees to compensate Contractor in accordance with the payment structure set forth in Exhibit A, Attachment A, revised as attached hereto and incorporated herein by reference."

4. Except for the changes set forth herein above, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by its Director of Health Services, and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Mitchell H. Katz.
Director

U.S.C. KECK SCHOOL OF MEDICINE
Affiliate

By _____
Signature

Print Name

Title _____

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
Andrea Sheridan Ordin
County Counsel

AMEND:USC Keck School of Medicine __gh:09/29/11

ATTACHMENT A

CANCER RESEARCH AND CARE SERVICES AGREEMENT

ESTIMATED PROJECT COSTS

NOVEMBER 1, 2010 THROUGH OCTOBER 31, 2013

USC Keck School of Medicine
Personnel, Salaries and Fringe Benefits

(3) Nurse Coordinators (i.e. 3 Full-Time Equivalent [FTE] positions @ \$6,250 per month)	\$301,500
(1) Tissue Acquisition (i.e., 1FTE position @ \$2,500 per month)	<u>\$ 40,200</u>
Total	<u>\$341,700</u>